



**Agenda Item Number: 2005-5-7A**

## **BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS**

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**Meeting Date:** May 10, 2005

**Department:** Commissioner Alan B. Armijo **Staff Contact:** Dan Mayfield, Deputy County Manager

**TITLE:** Community Development Block Grant (CDBG) and Payments in Lieu of Taxes (PILT) Funding

**ACTION:** Motion to adopt:

1. Administrative Resolution AR -2005 supporting the CDBG Program.
2. Administrative Resolution AR -2005 supporting the PILT funding.

### **SUMMARY:**

The New Mexico Association of Counties (NMAC) Board of Directors recommends that counties in New Mexico adopt resolutions opposing the Bush administration's initiatives to eliminate the Community Development Block Grant program and reduce funding for Payments in Lieu of Taxes (PILT) to counties.

CDBG has been an initiative of the U.S. Department of Housing and Urban Development (HUD) for thirty years. The proposed 2006 budget would move the program to the Department of Commerce and combine it with 17 other programs under a new umbrella of services called the "Strengthening Communities Initiative." Accompanying the program changes are dramatic cuts in the budget for CDBG. The CDBG program, administered by the State DFA, distributed \$16 million to New Mexico counties and small cities last year.

PILTs are federal payments to local governments to offset the losses in property taxes from federal property in their jurisdiction. In New Mexico, 33% of the land is in federal ownership. PILT payments to New Mexico Counties in 2004 totaled \$21,999,459. Bernalillo County received \$126,871.

### **ATTACHMENT:**

1. AR -2005 Opposing elimination of CDBG
2. AR -2005 Supporting PILT

### **FISCAL IMPACT**

None

# **STAFF ANALYSIS SUMMARY**

## **COUNTY MANAGER**

The County could potentially lose federal funding if these changes in the CDBG and PILT programs are implemented. I recommend the Board adopt the resolutions. TL 5/4/05

## **LEGAL**

Reviewed by County Legal. Administrative Resolutions approved as to form. TDC 5/3/05

## **FINANCE**

**Budget** Approval of this item would reduce any adverse affect on CDBG grant funding and federal revenue from PILT. Revenue received to date this fiscal year is \$59,005 from PILT and \$590,000 from CDBG grant funding. Maria Zuniga, Financial Projects Coordinator 5/2/2005